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ARIZONA CORPORATION COMMISSION



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2009 OCT -5 P 3:35

October 05, 2009

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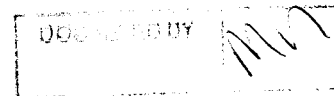
AZ CORP COMMISSION
DOCKET CONTROL

CERTIFIED MAIL

Ms. Carol Judd
Timber Knoll Homeowner's Association, Inc.
DBA Timber Knoll Water Service
Post Office Box 200
Vernon, Arizona 85960-0200

Arizona Corporation Commission

DOCKET CONTROL



RE: TIMBER KNOLL HOMEOWNER'S ASSOCIATION, INC., DBA TIMBER KNOLL
WATER SERVICE'S APPLICATION FOR A RATE INCREASE, DOCKET NO. W-
01902A-09-0293.

SECOND LETTER OF DEFICIENCY

Dear Ms. Judd:

In reference to your rate application received on June 4, 2009, this letter is to inform you that your application has not yet met the sufficiency requirements as outlined in Arizona Administrative Code R14-2-103.

Staff found your application deficient on July 6, 2009. The information the Company submitted on September 3, 2009, did not sufficiently or completely address some of the deficiencies. The continued deficiencies are listed on a separate attachment. The 30-day sufficiency determination period will begin anew when the Company corrects the deficiencies and Docket Control receives an original and sixteen copies of the corrected pages.

You have 15 calendar days, or until October 20, 2009, to correct the deficiencies or make other arrangements with Staff to remedy your rate application. If the corrections or other arrangements are not made by the above date, Staff will request your docket number be administratively closed. Docket Control will retain one copy of the original application for Commission records. You may file an original and sixteen copies of an updated application at a later date.

Second Letter of Deficiency

October 05, 2009

Page 2

The Staff person assigned to your application is Charles R. Myhlhousen. He can be reached at (602) 542-0863, or toll free at (800) 222-7000, if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Nancy Scott". The script is cursive and fluid.

Nancy Scott
Chief of Financial & Regulatory Analysis Section
Utilities Division

NLS:CRM:kdh

CC: Docket Control Center (sixteen copies)
Lyn Farmer, Hearing Division
Delbert Smith, Engineering
Consumer Services
Legal Division

**TIMBER KNOLL HOMEOWNER'S ASSOCIATION
DBA TIMBER KNOLL WATER SERVICE
DOCKET NO. W-01902A-09-0293
TEST YEAR ENDED DECEMBER 31, 2008**

ATTACHMENT OF DEFICIENCIES (10/05/2009)

- 2.1 Please provide a corrected page 14, plant summary schedule, as previously discussed by phone with you.
- 2.2 Please provide a corrected page 15, utility plant in service schedule, as previously discussed by phone with you.
- 2.3 Please provide a corrected page 19, comparative statement of income and expense schedule, as previously discussed by phone with you.
- 2.4 Please provide a corrected page 20, calculation of depreciation expense schedule, as previously discussed by phone with you.
- 2.5 Please provide a corrected page 21, balance sheet schedule, as previously discussed by phone with you.
- 2.6 Please provide a corrected page 22, balance sheet (continued) schedule, as previously discussed by phone with you.

Sample copies of these schedules were mailed to you on October 1, 2009.